

**ARIZONA STATE PARKS BOARD
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NOVEMBER 20, 2003
MINUTES**

Board Members Present:

Suzanne Pfister
John Hays
Elizabeth Stewart
Gabriel Gonzales-Beechum
Mark Winkleman

Board Members Absent:

William Porter
William Cordasco

Staff Present:

Kenneth E. Travous, Executive Director
Jay Ream, Assistant Director, Parks
Jay Zieman, Assistant Director, Partnerships and External Affairs
Mark Siegwarth, Assistant Director, Administration
Debi Busser, Executive Secretary
Jean Emery, Chief, Resources Management
Ray Warriner, Resources Management
Annie McVay
Max Costello, Park Manager, Verde River Greenway
Steve Haas, Park Manager, Sonoita Creek State Park
George Christianson, Park Ranger
Amy Hartle, Administrative Assistant
Ellen Bilbrey, Public Information Officer

Attorney General's Office:

Joy Hernbrode, Assistant Attorney General

C. INTRODUCTION OF GUESTS

Chairman Pfister invited the guests in the audience to introduce themselves. She thanked all of the volunteers who serve on the Board's committees for being present and stated her understanding of the thankless work they perform. She stated that the Board are thankful for them.

D. PUBLIC COMMENT

Chairman Pfister noted that she had not received any Request to Speak forms.

E. CONSENT AGENDA

- 1. Approve Minutes of October 16, 2003 State Parks Board Meeting**
- 2. Approve Minutes of Special Meeting of the State Parks Board Held November 10, 2003**

3. **Consider a Time Extension for the Episcopal Community Services Historic Preservation Heritage Fund Grant #640012 for the Trinity Cathedral** – Staff recommend extending the project end date for Historic Preservation Heritage Fund Grant #640012 for the Episcopal Community Services for the Trinity Cathedral Restoration project by one year from November 7, 2003 to November 7, 2004. HPAC unanimously concurred with this recommendation at their October 27, 2003 meeting.
4. **Consider a Time Extension for the Florence Unified School District Historic Preservation Heritage Fund Grant #640004 for the Florence High School Roof Stabilization** – Staff recommend extending the project end date for Historic Preservation Heritage Fund Grant #640004 for the Florence Unified School District for the Florence High School Roof Stabilization project by one year from November 13, 2003 to November 13, 2004. HPAC unanimously concurred with this recommendation at their October 27, 2003 meeting.
5. **Consider Extending the Project End Date for Off-Highway Vehicle Recreation Fund Project #559808 – Alamo Harcuvar OHV Education Outreach** – Staff recommend extending the project end date for Off-Highway Recreation Fund Project #559808 – Alamo Harcuvar OHV Education Outreach – by 12 months to January 8, 2004. OHVAG will meet on November 14, 2003. If they do not concur with this recommendation, this item will be removed from the Consent Agenda.
6. **Approve Executive Session Minutes of Special Meeting of the State Parks Board held November 10, 2003**

Board Action

Mr. Hays: I move that the Board approve the Consent Agenda as presented.

Mr. Winkleman seconded the motion. The motion carried unanimously.

Chairman Pfister stated that she would use the Chairman's prerogative to move to Agenda Item I. PARKS.

I. PARKS

1. Section Report

Sonoita Creek Update

Mr. Ream reported that there was a great ceremony this morning.

Chairman Pfister thanked everyone from Arizona State Parks (ASP) for their hard work. It was a great event.

Natural Areas Program Advisory Committee Presentation

Mr. Ream introduced Ms. Jean Emery, Chief of Resources Management, who is the staff person who works with the Natural Areas Program Advisory Committee (NAPAC).

Ms. Emery reported that normally this report would be at the end of the meeting, however, given all of the events that occurred this morning with Sonoita Creek and the fact that virtually all of the members of NAPAC are present she requested that this report be moved to the front of the Agenda.

Ms. Emery reported that NAPAC wanted to bring the Board up to speed on the Natural Areas Program. The program maintains a low profile, yet many of the important acquisitions ASP has done over the past few years involved the Natural Areas Program.

Ms. Emery offered a slide presentation. She reported that the natural areas concept is not unique to Arizona; it began in the 1970s and was conceived, in large part, by The Nature Conservancy. It amounted to a voluntary registry that still exists in many states within Departments of Natural Resources or Fish and Game departments. It has various characteristics. ASP became involved in the 1970s and 1980s. There was a committee made up of experts who worked together to analyze the components of a natural area, what natural areas existed in the state. In fact, for many years they worked on publishing a book and a vision plan for the Natural Areas Program. The problem with most of these natural areas programs was that there was no teeth in them and there was no funding attached. Everyone had great ideas, goals, and ambitions but no way to implement them.

Ms. Emery reported that in 1990 the Heritage Fund Initiative was passed. It provided some money for natural areas acquisition, as well as other things. The Heritage Fund provides for up to \$10 million per year to two agencies – ASP and Game and Fish Commission. For ASP, 17% of the annual distribution should go to the acquisition of natural areas and 4% to natural area operations and management. During the first few years, ASP received its full \$10 million allotment from the Heritage Fund. By the mid-1990s it dropped. The Natural Areas program can receive up to \$1.7 million per year; it has received anywhere from \$1.3 million to this past year's distribution of \$1.5 million.

Ms. Emery reported that the Parks Board gave structure to the program. There are people in place who have been working on this concept for years. They were known as the Natural Areas Advisory Committee. In 1998, the committee was revamped with a new structure and a new charge and By Laws and became known as the Natural Areas Program Advisory Committee.

Ms. Emery reported that NAPAC consists of seven members who are all volunteers and serve three-year terms. She congratulated the NAPAC members. They put in a lot of time. During the two years she has been working with NAPAC, they have met every month, have done all kinds of homework, have gone on many field trips, and have dedicated a lot of their time and energy to making this program work. One of the qualifications for NAPAC is that the individuals have an expertise in the sciences because the program is to be used to acquire parcels of land or water that contain examples of unique, natural terrestrial or aquatic ecosystems, rare species of plants and animals, or unusual or outstanding geological/hydrological features. While they are nice words to say, the question is what does that mean on the ground when one actually looks at the land to actually evaluate whether a parcel of land meets those qualifications. That is what this committee does.

Ms. Emery stated that a requirement to serve on NAPAC is that everyone must have some expertise. Ms. Laurel Arndt, who has served as Chairperson of NAPAC for the last two years, is a conservationist and an environmental land planner. Mr. Marty Jako is wildlife biologist with the US Fish and Wildlife Service. Mr. Jim Collins (not present today) is the Chairman of the Biology Department at Arizona State University. Mr. Keith Justice is a Professor Emeritus from the University of California-Irvine and is a

zoologist/ecologist. Mr. Rafael Payan has been an environmental planner for many years and is currently the head of Pima County Parks and Recreation. Mr. John Hays is on the Santa Cruz County Flood Control District and is a hydrologist and geologist. Mr. Sheridan Stone is a wildlife biologist at Ft. Huachuca. Mr. Steve Haas is the one ex officio member of NAPAC. ASP staff who support NAPAC include herself as the coordinator, Mr. Ray Warriner (Real Estate Acquisition), and Mr. Charles Eatherly.

Ms. Emery added that most of the work of the committee is in the acquisition of the land. Their job is to analyze properties and determine whether or not they qualify and meet the eligibility criteria. Much of the work that they do, aside from evaluating the properties, is developing the criteria and elements to analyze the properties.

Ms. Emery reported that acquisitions that have been accomplished since the committee was formed largely fall within four areas: Verde River Greenway, Sonoita Creek, San Rafael, and Spur Cross Ranch. The Verde River Greenway began in 1986, before there was money to actually get it going. The passage of the Heritage Fund allowed it to proceed.

Ms. Emery reported that when the budget crisis hit last year the committee was concerned about losing all of their money. They asked if there is anything this committee can do if the acquisition funds are gone. There was a one-day planning session at the Sonoran Desert Museum to discuss what this committee can do to further the program whether or not there is funding. The committee has three goals. The committee recognized objectives that are important. The most obvious is the protection of sensitive areas of ecologically distinct areas, the need to reach out to experts to provide a guiding and advisory role to ASP to foster statewide long-term planning, promotion, and protection and to develop a more synergistic role among other public agencies and with people working in this area. The Coal Mine Springs project would be a good example. Agencies need to talk to each other and discover they are working in a particular area even though they don't realize it.

Ms. Emery added that among the topics of discussion at that meeting were what a natural area is, what would be found there, etc. They were consolidated into five key areas: the features (what is on the land), biological processes going on, how rare the existing features are, extent of diversity, and the geological aspects.

Ms. Emery reported the committee looked at other ways to protect land that can be acquired. Many of the ideas they came up with are more difficult to implement than others.

Ms. Emery added that the committee selected some things that they would like to see 10 or 20 years from now as ultimate accomplishments. One was to enhance the public appreciation of the natural areas and make them aware that they are there. Another was to find funding sources that might ensure the long-term protection and management of these areas. Another was to adapt further educational opportunities.

Ms. Emery reported that the committee arrived at four areas they want to work on. Those objectives are: Acquisition, Education, Partnerships, and Management. All of the ideas they brainstormed about came under these four particular areas. From that the committee itemized the things that they need to do under each project.

Ms. Emery stated that she gave the Board the last few pages that include that list. She pointed out that Acquisition includes continuing acquisition and protection of more natural areas of land. Key to that is developing a priority list of desired areas. There is a list already out there. The committee that was formed in the early 1980s compiled a list of 259 properties in the state that they felt at that time were eligible for categorization as "natural areas". Every one of those properties have riparian habitats on them. Even though one-half of 1% of the landscape in Arizona is riparian, the diversity and abundance of wildlife and natural values in that small amount far outweighs its size in comparison to the whole area of the state. It is important, then, to itemize among those properties what the key areas are and how to begin the analysis process. The committee has been challenged on how to get the information and find out what is on these lands. In order to perform any kind of analysis, one needs to know what is there. ASP simply does not have the staff available to go out and track down every parcel. One way to accomplish this is to use the work that's been done by other agencies that is readily available. This information is available in the Geographical Information System (GIS). It allows staff to go to Game and Fish, Fish and Wildlife Service, and the Land Department and pull their databases and merge them and tie them to a parcel of land that is being reviewed to create maps that show what is going on in those areas. This has been a key goal of this committee.

Ms. Emery added that in fostering the objective in Education, there was a meeting in the White Mountains at the Game and Fish Wildlife Refuge with park managers, the natural area managers, environmental education people, and NAPAC. They saw what Game and Fish was doing. They discovered that within and outside the agency there is a need to discuss natural areas more. People need to be educated more about natural areas.

Ms. Emery noted that Partnerships includes working with other agencies to identify what they are doing, including the sponsorship or involvement of a state Natural Areas Symposium. In fact, the APRA will be putting on a townhall on open space. She presumes it will encompass natural areas as well.

Ms. Emery stated that Management includes managing the parcel once it is acquired.

Ms. Emery reported that the committee broke all of the above categories into six-month goals, one-year goals, and two-year goals. All of that information is included in the handout the Board received.

Ms. Laurel Arndt, Chairperson of NAPAC, addressed the Board. She acknowledged the work that has been done by ASP staff. Ms. Emery has been an incredible resource for their committee. She has guided the committee and kept them on track and motivated. A group is only as good as the people who make it up. There are incredible people on this committee. She noted that the Board Chairman said this morning that we are all about partnership. It is so true on this level, too. They share databases; they share desires with so many other agencies involved in natural areas. She believes that is the future for ASP. We cannot go it alone. We need to partner with others, whether it is a county, a city, a community, or a federal agency. This is the future in trying to preserve natural areas and trying to acquire recreational areas. What occurred this morning with the Sonoita Creek project is something that she, as an environmental planner, strives for. This is the future. She sees that shift very strongly this year. The

last three years the focus has been on Sonoita Creek. There are a number of other areas out there, however. There is the potential of working with Game and Fish, county agencies, federal agencies, and ASP to make these purchases possible. We must also look at how to manage them so that landscapes are preserved and that open space natural areas are acquired. Everyone is stepping up. She hopes this doesn't change for a long time. NAPAC members are working hard. She is stepping down as Chairperson this year. She is looking forward to seeing some of the parcels that are coming up that are a great opportunity for natural area preservation.

Ms. Stewart responded that, after listening to this presentation and Ms. Arndt's comments and having had the opportunity this morning to sit in on the NAPAC meeting, she is very impressed with the talent on the committee, the ambitious agenda the committee has set for itself for the upcoming year, and the incredible achievements that were seen this morning at the Sonoita Creek ceremony. The committee, under Ms. Arndt's and Ms. Emery's leadership has done a tremendous amount of work in just the past two years. She believes the committee is at a totally different level than in the past. She thanked NAPAC and staff for their work.

Coal Mine Springs AZ Game and Fish Department Presentation

Ms. Emery reported that the Coal Mine Springs parcel is immediately north of Sonoita Creek. She introduced Ms. Joan Scott, Habitat Program Manager, Game and Fish Commission (GF).

Ms. Scott addressed the Board. She distributed a map to the Board and referred to a slide presentation. She stated that she was present to tell the Board about the Coal Mine Springs (CMS) property. She was before the Board last March and reported that GF had applied for a grant to acquire the CMS property. She was happy to inform the Board that they have been awarded that grant. She wanted to give the Board an update today on where they are on the property acquisition and to present the property itself to the Board.

Ms. Scott reported that this is a partnership project. The partners who are working on this are ASP, GF, the Trust for Public Land (Trust), and the US Fish and Wildlife Service. She thanked ASP for the partnership and cooperation that they have been giving GF. It has been very important to the process.

Ms. Scott reported that the grant that was awarded to GF was a grant from the US Fish and Wildlife Service and it was an Endangered Species Act Recovery Land Acquisition Grant. It is important to note that this is a "recovery land acquisition" grant and must be used for recovery of threatened and endangered species. The award to GF was \$750,000 to acquire the CMS property. GF committed another \$1.5 million to the acquisition process. The grant is a Section VI grant and requires a match that must be a minimum of 25%. There are extra points awarded in the grant process for putting in more money. GF felt this was an important piece of property and committed to put \$1.5 million into the acquisition from the Heritage Fund. The total amount of funding for purchase of this property is \$2.25 million. That is a solid number. They are trying to get as much land from the landowner as possible with that money.

Ms. Scott referred to the map she distributed. She pointed out the Sonoita Creek State Natural Area (Sonoita Creek) and Patagonia Lake State Park. This property is shown in

red on the map. The black line outlines the historic Solero Ranch that is being sold for development. Over the last several years a number of 40-acre parcels have been sold and are being developed into private homes. Asarco did a bulk purchase of a portion of Solero Ranch to use as a trade to Coronado National Forest. With Sonoita Creek and the watershed to that property and the Coal Mine Spring located where they are, GF were trying to protect the CMS property. The Coal Mine Spring has a population of an endangered fish, the Gila Topminnow. Their goal was to purchase as much of the watershed to the Coal Mine Spring as they could to prohibit putting in wells that would deplete or ruin the value of the spring.

Chairman Pfister asked if the land north of Patagonia State Park is State Trust Land.

Ms. Scott responded that some is private.

Ms. Emery added that ASP's property is mostly the lake and some land. There is some State Trust Land around it.

Chairman Pfister asked if the San Cayetano Mountains is west of the 40-acre lots.

Ms. Scott responded affirmatively and pointed them out on the map.

Ms. Scott reported that GF's goal was to purchase the spring and as much of the watershed protecting that spring as possible. The population of Gila Topminnow is not only in the Coal Mine Spring, but it is also in the Sonoita Creek watershed and the Fresno Canyon watershed (where Coal Mine Spring drains).

Ms. Stewart noted there is some land that curves into CMS parcel. She wondered why it was there.

Ms. Scott responded that presently the landowner won't sell it to GF.

Ms. Stewart asked if there are future plans for that parcel if it becomes available.

Ms. Scott responded affirmatively. GF hope to go for a "Stage II" once this acquisition is completed. Currently the Trust has been able to get an option should more money become available to purchase another part. So far the landowner does not seem to want to sell GF that part. Once Phase I is completed, they will try to work with him on the other parcel. She thinks he believes he can still make more money on 40-acre parcels. The fact is that if it's for sale it's for sale at some price. Right now the area shown in red is the most that GF were able to acquire. She noted that the boundary is not quite final yet, but she believes that it is within days of being final.

Ms. Scott noted that when she spoke with the Board in March she showed the Board a smaller parcel that was 1400 acres, their estimate of what could be purchased with the \$2.25 million. It has turned out that the Trust (who is negotiating with the landowner) has been able to increase it to the red parcel which is 2600 acres. It is considerably larger than what GF originally thought could be purchased with the \$2.25 million.

Ms. Scott reported that the Coal Mine Spring is a large pond that is fed with a natural spring. There are Gila Topminnow in this pond. In addition, the value of this property is not just that pond itself, but the fact that the spring drains down into the canyon and fills other little pockets and pools. They also have Gila Topminnow and also drain directly into the Sonoita Creek State Natural Area. Even where the water actually goes underground, there are good riparian areas all along the canyon.

Ms. Scott reported that the Gila Topminnow is a very small fish and an endangered species. It was listed as endangered in 1967. It was common in the Gila River Basin historically. The Gila River Basin includes the Santa Cruz River, Sonoita Creek, and all tributaries to it. Now there are only 14 extant populations of this species. The Coal Mine Spring population and the Fresno Canyon population are two of only 14 existing populations of this fish. The discovery of the Fresno Canyon and the Cold Mine Canyon populations in 1992 and 1997 constituted nearly a 20% increase in the known numbers of these fish. The combination of those two populations is the second largest area and the second largest number of individuals of all known populations. It is important to note that the Coal Mine Spring population is upstream of the Fresno Canyon and the Sonoita Creek Natural Area and Sonoita Creek populations. This is important because the Coal Mine Spring population is the only one that does not have exotic fish mixed in with it. Because of this, they believe that the protection of the Coal Mine Spring population is important to the protection of the downstream populations. When exotic fish are mixed in with the native fish populations, the native fish populations often become extinct. These have not gone extinct. They believe that it may be because of there being no exotic fish in the Coal Mine Spring population. They believe that this population is critical to protecting the downstream populations.

Ms. Scott again referred to the map. She pointed out the watershed above Sonoita Creek. It is the watershed of both the Coal Mine Canyon and the Fresno Canyon. She noted the size of the watershed that is being protected by this acquisition. She referred to a slide of ASP's Management Plan for Sonoita Creek and the proposed acquisition area. It is the exact same watershed. Both agencies are working together for the same goals here. ASP had identified this very same area as an area it wanted protected in the Management Plan.

Ms. Scott reported that the Fish and Wildlife Service grant is for recovery of threatened and endangered species. The land must be managed in perpetuity for the conservation of threatened and endangered species and the habitats. The emphasis on this piece of property is the Gila Topminnow.

Ms. Scott added that the goals of Sonoita Creek are to maintain water flow regimes, to protect and restore riparian habitat and outland habitat, to maintain diverse and healthy populations of native wildlife, and to protect the existing populations of special status native wildlife species. The goals of the State Natural Area are right along the same lines as the goal of the Fish and Wildlife Service grant.

Ms. Scott added that GF Heritage Fund acquisition funds would be used. The goals of that program are acquisition of sensitive habitat utilized by endangered threatened inhabitant species.

Ms. Scott stated that there are other listed species that will benefit from the protection of the Coal Mine Spring. The Gila Chubs is a proposed species that could be introduced into the area. The Desert Pupfish is an endangered species that could be introduced to the area. The Western Yellowbilled Cuckoo is a candidate species for listing that is currently found in Fresno Canyon and the Sonoita Creek. It has not been identified yet in CMS because it has been private property for so long and there have been no surveys in there. Protection of the habitat will provide good habitat for the species. The Mexican Spotted Owl is a threatened species and the plan for Mexican Spotted Owls

talks about protecting ribbons of riparian habitat to connect the mountain habitats for the species. This acquisition will help to do that. The Lesser Long-Nosed Bat is an endangered species and there is a mine that has been used as a roost on the Asarco property and there is foraging habitat on the acquisition property. The Chiricahua Leopard Frog is a threatened species that could be introduced to the riparian area. There are many sensitive species that are either in the area, could be introduced to the area, or with protection can naturally re-colonize the area.

Ms. Scott added that everyone knew that the Coal Mine Spring itself was a valuable habitat for the Gila Topminnow and for native fish in general. While GF wanted to protect the upstream and the watershed, they had no idea how much actual riparian and aquatic habitat was upstream. She presented slides from upstream with nice riparian pools all the way up that show signs of permanent use. A lot of them are large enough that reintroductions of other fish (Desert Pupfish) can be done. There are deep pools; there are shallow pools; there are places where the water goes underground. There are good healthy riparian areas with deer grass and riparian tree species. These show water underneath.

Ms. Scott discussed the role of the Trust. The Trust actually came to GF with this acquisition idea. GF had tried to acquire this property twice before and were unable to do so. The Trust came to GF when the Fish and Wildlife Service came through with these grants for recovery of endangered species and suggested trying for it. The Trust was instrumental in helping GF accomplish this goal. They are doing a lot of the work for GF. They are actually doing the appraisal, the boundary survey, the Title work, the environmental site assessment, providing project and legal staff to the project, and will actually purchase the land from the landowner and then sell it to GF. The Trust's total contribution is estimated to be about \$30,000.

Ms. Scott reported that ASP is a critical partner in this project. She is trying very hard to convince the Board that this is as important to ASP as it is to GF. GF really do need ASP's partnership to get this through. GF are seeking a partnership with ASP to co-manage CMS. GF does that with other properties such as Roper Lake. Their vision is that ASP would manage the CMS property as a part of Sonoita Creek. GF would retain title in fee simple and would manage the fish and wildlife on the property.

Mr. Ream noted that GF manage the fish and wildlife on all of ASP's properties.

Ms. Scott discussed where to go from here. GF are working on an Intergovernmental Agreement (IGA) between ASP and GF. They are currently developing a draft and plan to send it to ASP for editing. The Trust is in negotiations with the landowner. They are very close to having the Option Agreement completed. There are some right-of-way details to be worked out. They will complete the boundary survey, the appraisal, and acquisition. GF will acquire the property from the Trust and, hopefully, ASP will manage the property as part of Sonoita Creek.

Mr. Hays asked if the ownership of the Solero Ranch is an individual or developers.

Ms. Scott responded that it is a three-part ownership made up of the original rancher and two developers who have been selling off 40-acre parcels. She believes it is called the Solero Ranch Land and Cattle Company. The Trust is dealing with Rick Schust and Ross Wilson.

Ms. Scott stated that the ultimate goal for GF is the protection of an important population of Gila Topminnow and habitats for other wildlife, protection of the watershed of Sonoita Creek and its resources, and a partnership between ASP and GF.

Chairman Pfister thanked Ms. Scott for her presentation.

Mr. Hays asked if this project is successful whether GF would construct trails for the public to be able to hike in or if it would be kept a wilderness area.

Ms. Scott responded that the ASP Management Plan for Sonoita Creek already includes a design for this area. It is to be managed as a minimal-use area. It is important to GF that the public be allowed there. Their way of providing for that is to allow foot access through the Sonoita Creek. GF do not want the public driving into that area because they don't want these fish populations contaminated. Public access would be provided in the form of foot traffic through Sonoita Creek.

Chairman Pfister noted that this is a great opportunity for education and research. She thanked Ms. Scott for her presentation.

Ms. Stewart asked if there is anything the Board needs to do to further this project today.

Mr. Travous responded that he did not believe so. Staff will provide updates as appropriate. He expressed his thanks to GF for being such good partners with ASP.

Chairman Pfister suggested that perhaps the Board could meet with the GF again.

Ms. Scott responded that if all goes well they expect this acquisition to be completed by the end of April.

Sonoita Creek-San Cayetano Mountains Acquisition

Mr. Ream reported that the Chairman, Board Member Ms. Stewart, and he attended the NAPAC meeting this morning. One of the recommendations that came out of that meeting was to conduct further studies in this area. A hiking trip through the area will be planned. He has discussed the possibility of getting aerial photography with Mr. Tobin. After more information is available, staff will bring this issue back to the Board.

Chairman Pfister noted that she spoke with Ms. Mary Dahl about bringing them together to talk about zoning issues. She was very amenable to meeting. The more staff can pull the players together to brainstorm how to make this partnership happen, the better it will be.

Mr. Ream responded that he hoped to have something for this Board to see in January.

Update on Boyce Thompson Arboretum

Mr. Ream reported that three members of ASP staff now serve on the Boyce Thompson Arboretum (BTA) Board: Mr. Siegwarth sits on the Finance Committee; Mr. Eatherly sits on the Planning Committee, and Mr. Ream sits on the Planning Committee and the Executive and Governance Committees. Their Board met last October. Research and Marketing staff from both organizations are working on getting the word out about BTA.

Mr. Ream added that he and Mr. Siegwarth serve on BTA's Transition Team. BTA is moving their financial services from Ithica, NY to Arizona. BTA, Inc. is incorporated in

Arizona but the finances have all been run from Ithica, NY. It has been problematic in the past.

Mr. Ream presented an invitation from Chairman Sam Applewhite to the Parks Board to meet with them again in April. The dates would be April 21-23. It could be a formal Board meeting or the Board could go to the BTA Board meeting to see what's going on.

Ms. Stewart noted that those dates conflict with the History Convention in Safford.

Chairman Pfister noted that she was recently with the new Development Director for the Flagstaff Arboretum who is very interested in doing some joint marketing between the Flagstaff Arboretum and Riordan Mansion Historic State Park. The idea was to do a demonstration garden at Riordan, as well as joint marketing along the line of when in Southern Arizona see BTA and when in Northern Arizona see Flagstaff Arboretum. She noted that they have a very sweet arboretum. It is small, but it is very nice. Not many people know about it. It would be another partnership idea.

Mabery Easement Dispute Litigation

Chairman Pfister suggested postponing discussion of both Mabery and Whetstone Springs Condemnation until after Executive Session.

BLM Chemehuevi Report – Don Ellsworth

Mr. Ream reported he spoke with Mr. Ellsworth on Tuesday. He requested that staff postpone discussion on this issue with the Board because some things have arisen with the Bureau of Reclamation on the two sections of land in question that need to be settled before this issue is brought before the Board. Staff will continue to work with them. Eventually the Chairman of the Chemehuevi Tribe will visit this Board and address the Board on their ideas for a ferry service between the Chemehuevi Nation and Lake Havasu State Park.

2. Board Actions:

- a. **Acquisition of Right-of-Way For A Portion of the Historic Lime Kiln Trail** – Staff recommends that the Board approve the acquisition of right-of-way for a portion of the historic Lime Kiln Trail, and authorizes the expenditure of up to \$37,000 from the Arizona Heritage Fund.

Mr. Ream reported that this Board Action is for the acquisition of the right-of-way for the Lime Kiln Trail. It is an historic trail and an important connector. It is a partnership with a number of agencies. Staff recommends the use of Heritage Fund Trails money for this acquisition.

Ms. Stewart noted that there appears to be a number of partners. She asked who will actually own and manage this acquisition.

Mr. Max Costello, Park Manager, Verde River Greenway, responded that ASP would have the right-of-way and work with the US Forest Service. ASP will end up with the management.

Chairman Pfister asked if it is physically in National Forest Land.

Mr. Costello responded that it is on State Trust Land.

Board Action

Ms. Stewart: I move that the Arizona State Parks Board approve the acquisition of right-of-way for a portion of the historic Lime Kiln Trail, and authorize the expenditure of up to \$37,000 from the Arizona Heritage Fund.

Mr. Hays seconded the motion. The motion carried unanimously.

- b. Appoint New Members to the Arizona State Committee on Trails** – Staff recommends that two individuals be named to fill two one-year vacancies on ASCOT and that they each serve a one-year term beginning January 1, 2004. Staff also recommends that five individuals be named to fill five three-year vacancies on ASCOT and that they each serve a three-year term beginning on January 1, 2004.

Mr. Ream introduced Mr. Tom Fitzgerald and Ms. Annie McVay to discuss the appointment of new members to the Arizona State Committee on Trails (ASCOT).

Mr. Tom Fitzgerald addressed the Board to present ASCOT's recommendations for seven new members for 2004. He reported that there were 31 applicants but only 7 openings to fill. All of the applicants were very highly-qualified. They had the difficult task of reviewing all 31 applications and trying to find the 7 that would best fit into their organization over the next several years. ASCOT is comprised of 25 members. They try to include representation from as many different counties as possible. Unfortunately, the majority of the draw is from Maricopa County. That makes selection all that more difficult. Besides county representation, ASCOT tries to determine each applicant's affiliation and how they best fit into ASCOT's projected goals for the future. The third thing they look at is potential attendance of those new members. ASCOT only has four meetings per year. They need ensure that they maintain a quorum and have as many people represented as possible at each meeting. Based on that, they recommend 7 individuals. They are looking at Dan Gruber and Terri Gay for the one-year vacancies. They are recommending Mary Pratt, Linda Slay, Mike Snodgrass, Crystal Thompson, and John Vuolo for the three-year terms. Each one has specific affiliations and experience that they bring to the group, and he believes they will fit in very nicely in 2004. He added that he is stepping down as Chairman for next year. Ms. Catherine Bradley will be stepping up as the Acting Chairman for 2004. He stated his appreciation to the Parks Board for their time and effort and all that they have allowed ASCOT to do.

Chairman Pfister stated that she knows two of these individuals very well – Ms. Pratt and Ms. Thompson – and believes they will be a wonderful addition to ASCOT.

Board Action

Mr. Hays: I move that the following individuals be recommended to fill two vacancies on ASCOT and that they serve a one-year term beginning January 1, 2004: Daniel Gruber and Terri Gay.

I further move that the following individuals fill the five vacancies on ASCOT and that they serve a three-year term beginning January 1, 2004: Mary Pratt, Linda Slay, Mike Snodgrass, Crystal Thompson, and John Vuolo.

Ms. Stewart seconded the motion. The motion carried unanimously.

Mr. Fitzgerald noted that last year a letter was sent to those people who were not selected inviting them to attend ASCOT and see exactly what this committee does. This year they decided that they would make personal phone calls to those individuals not selected to invite them to their December meeting to familiarize themselves with ASCOT and encourage them to be involved. Next year they will have 9 openings and hope to continue to have the same “problems” in the selection process.

Chairman Pfister thanked ASCOT.

Ms. Stewart suggested taking it a step further. She was very impressed with the applicants’ qualifications and noticed a desire on their part to serve. People who applied had a wide range of interests and talents. Some of those people might be interested in being volunteers at various parks. Perhaps staff could take a look the applicants and refer some of them to other areas of the park system where they may be interested in helping out, as well as to the state office in assisting on various projects. It is difficult to turn such talented people away.

Chairman Pfister then moved to Agenda Item G – Partnerships and External Affairs.

G. PARTNERSHIPS AND EXTERNAL AFFAIRS

1. Section Report – HPAC Status Report

Mr. Ziemann introduced Mr. Victor Linoff, HPAC Chairman.

Mr. Linoff addressed the Board. He thanked the Board for the opportunity to discuss what HPAC is doing. He is completing his first three-year term. Within their committee they have had discussions about issues and concerns that they feel need to be addressed.

Mr. Linoff stated that one of the primary items that has come up is the way the process is structured. There isn’t a lot for this committee to do other than fulfilling a legal role. When good qualified people are serving, they want challenges and they want things to do to keep them active and interested. The structure has become rather constrictive and they feel there might be an opportunity to open it up.

Mr. Linoff stated there have been issues when new members join the committee. They are thrown into the meeting without really knowing their roles. He recalled that when he joined HPAC he was handed a packet and expected to vote on issues that he didn’t know anything about. The committee have been brainstorming trying to find a way to create new committee member briefings and involving those new members to get them up to speed more effectively and get them engaged more actively than in the past.

Mr. Linoff noted that there has been concern expressed about the grant manual – not the grant itself but the process of how the grant manual works. It appears to be driven by process rather than need. There is a lot of extraneous paperwork. They feel there is a need to set up a series of meetings to address this issue. On December 1 they will meet to really examine the grant manual and see if there is a way to simplify the process – not to make it easier for the applicants to get grants. They like the way the standards have been established. They would like to focus more on the subject of what the grant application is and how to fill out the application. He has seen applicants who have had very worthy grants lose points because they did not complete the application in the

technical manner it should have been. That concerns him. They are trying to get money to needy projects. HPAC will be taking a look at that.

Mr. Linoff reported that HPAC wants to improve communications with the Parks Board. After all, HPAC is an advisory committee that is charged with advising the Parks Board in its decisions. He is not aware of any of the volunteer members of the committee appearing before the Board to give updates. They are working for the Board and would like to know whether they are doing the kind of work the Board feels they should be doing or if they should be doing something else. They would like the opportunity to come before the Board periodically with updates on their progress.

Mr. Linoff added that the type of grants that are applied for in preservation are often time-sensitive. Right now it is on a one-year cycle. Applications are due in March and it is another several months before they know if the grant is done. They are exploring the possibility of going to twice-a-year to provide more opportunities for people to apply. There was once an emergency fund set aside for projects in great need. They are looking to see if that fund can be reinstated.

Mr. Linoff stated that the timing has been good, staff have been very supportive. In order to work this through the system, they have set the goal of having their work done by June 2004 so they can get it to the Board for review and approval so it could begin in the 2005 cycle. It is too complex to try to change anything now.

Mr. Linoff added that he welcomed any input the Board could give on the process that may be useful as they begin to wrestle with this issue on December 1.

Chairman Pfister noted that the Board's E-mail addresses are public record. She suggested that HPAC E-mail invitations to their meetings.

Mr. Linoff responded that Ms. Stewart has been a regular attendee at their meetings. Their committee members, so far as he knows, do not attend Parks Board meetings. He has never just attended a Parks Board meeting to see how they work. Both groups need to have a better understanding of what issues are being tackled.

Chairman Pfister responded that anytime HPAC wishes to present to the Board, they can just request to be added to the Agenda. That is not a problem at all.

Mr. Linoff noted that HPAC wanted the Board to know they are moving forward but hope they have the Board's blessing to take this type of review and see if they can't improve on it.

Chairman Pfister noted that the Board discussed some of the grant process problems at their September meeting. She welcomed the task HPAC are taking. She believes the Board has a stellar grants program and has fought hard to keep it stellar. That doesn't mean it can't be improved.

Mr. Linoff responded that is what they are trying to do. HPAC is not critical of the program itself. Many of the applicants for their grants are not as experienced as the Board might like. It's easy to see those grants that are written by professional grant writers. There are others who have a need but don't know how to express it well. HPAC wants to balance it. He thanked the Board for this opportunity to speak.

Ms. Stewart stated that she is impressed with the diligence that HPAC uses in fulfilling its responsibilities and its willingness to take on the task of reviewing the process. The members even expressed that they would attend the grant workshops. This is a good project.

2. Board Actions

- a. **Appoint New Members to the Historic Preservation Advisory Committee (HPAC)** – Staff recommend that one person be appointed to fill the Non-Profit Preservation Organization vacancy on HPAC to serve a three-year term beginning January 1, 2004; that one person be appointed to fill the Citizen-at-Large vacancy on HPAC to serve a three-year term beginning January 1, 2004; and that one person be appointed to fill the Citizen-at-Large vacancy on HPAC to serve the remaining year of a three-year term beginning January 1, 2004 and ending December 31, 2004.

Chairman Pfister noted that, unlike the other committee appointments, there are no recommendations for filling these vacancies.

Ms. Stewart stated that if one looks at the current committee members, it is apparent that two of the current members, Mr. Linoff and Mr. William Coomer (the current Vice Chairman), have been the two longest-serving members. Recently, a third member who was next in line in terms of tenure resigned. The remaining members only have, at a maximum, one year of service. If the committee is really going to review the grant process, it needs the continued leadership of Mr. Linoff and Mr. Coomer who are the Chairman and Vice Chairman, as well as the institutional memory, for the continuity they would bring. She believes they both need to be re-appointed.

Chairman Pfister noted that there is a second Citizen-at-Large vacancy. In the Board's quest for geographic diversity, one suggestion may be to choose someone not from Maricopa County.

Ms. Stewart asked if Mr. Linoff had any advice as to what kind of background is needed on HPAC.

Mr. Linoff responded that they were impressed with the number of applications this year. He does not know these applicants personally and cannot make a specific recommendation. It would certainly be helpful to have someone with an understanding of grants and writing. They are well-covered on the aspects of preservation and the ability to make those judgments.

Mr. Gonzales-Beechum suggested Ms. Theresa Nesser as a candidate. She had an impressive letter of recommendation and she is from Pinal County.

Board Action

Ms. Stewart: I move that William Coomer be appointed to fill the Non-Profit Preservation Organization vacancy on HPAC and that he serve a three-year term beginning January 1, 2004.

I further move that Victor Linoff be appointed to fill the Citizen-at-Large vacancy on HPAC and that he serve a three-year term beginning January 1, 2004.

I further move that Theresa Nesser be appointed to fill the Citizen-at-Large vacancy on HPAC and that she serve the remaining year on a three-year term beginning January 1, 2004 and ending December 31, 2004.

Mr. Hays seconded the motion. The motion carried unanimously.

Chairman Pfister requested that staff send a letter to those not selected thanking them and encouraging them to attend HPAC meetings.

Ms. Stewart noted that, with the large number of applicants to HPAC, this committee should consider having a nominating committee such as ASCOT has.

Chairman Pfister noted that other committees bring forward recommendations. That is not to say that the Board always follows those recommendations, but it is usually very close. The Board would value the committee's input because they have the sense of their needs.

Ms. Stewart added that, as with the ASCOT nominees who were not selected, those not selected for HPAC be considered for possible volunteer opportunities. They may be interested in working at some of the historic parks or on specific projects.

- b. **Appoint New Members to the Off-Highway Vehicle Advisory Group (OHVAG)** – Staff recommend that two individuals be appointed to fill the two vacancies on OHVAG and that they serve a three-year term beginning January 1, 2004.

Board Action

Mr. Hays: I move that Harold "Drew" John and Charles Smallhouse be appointed to fill the two vacancies on OHVAG and that they serve a three-year term beginning January 1, 2004.

Ms. Stewart seconded the motion. The motion carried unanimously.

- c. **Grant Amendment Change** – Staff recommends that the *Amendment Policy for Grant Participant Agreements* be amended, and the provision which allowed a "complete scope change or additional scope items not within the original intent of the approved project" be excised.

Board Action

Mr. Hays: I move that the Arizona State Parks' *Amendment Policy for Grant Participant Agreements* be amended, and the provision which allowed a "complete scope change or additional scope items not within the original intent of the approved project" be excised.

Ms. Stewart seconded the motion. The motion carried unanimously.

Chairman Pfister called for a Recess at 2:22 p.m.

Chairman Pfister recovered the meeting at 2:35 p.m. and returned to Agenda Item F.

F. DIRECTOR'S REPORT

1. Proposed Board Meeting Schedule for Calendar Year 2004

Mr. Travous reported that the proposal is for the meetings to remain the third Thursday of the month but occur every other month (rather than every month). There would be Board meetings in January, March, May, July, September, and November. Under this proposal it is anticipated that the meetings would be all-day meetings with either a working lunch or a break for lunch. Those Board members who have to travel long distances could come in the night before or stay over the night of the Board meeting in order to rest up before traveling.

Mr. Hays noted that it may be necessary for some Board members to come the night before and stay the night of. There may be more items on the Agenda that could require going until 5:00-6:00 p.m. to finish.

Mr. Travous noted that there is concern about not having enough meetings. He recommended that if the Board chooses this proposed schedule, that the Board members continue to block out mornings of the third Thursday of those months the Board is not scheduled to meet on their personal calendars in case there is a need for additional Board meetings. For example, at the end of the meeting in January the Board can discuss whether it is imperative to have a meeting in February. The Board would still have that time cleared if it were necessary to meet.

Chairman Pfister noted that if the Board needed to meet during those off months it could be done via conference call. There is nothing that says all the Board members must be physically at the same location.

Ms. Stewart added that because the Board is going through the planning session in December, it appears that there will be a need for two or three meetings of that type throughout the year. It might be an opportunity, say in February and April, to have a half-hour business meeting for updates at the legislature and to take action on anything that comes up that is urgent and then go into the planning session.

Mr. Travous added that it is possible that on the month of a regular meeting if the Agenda is light the planning session could follow. There will be a need for a couple of follow-up meetings after the December 3 session. It could be as a regular business meeting in the morning and then the planning session in the afternoon. There are a number of ways to work that out.

Ms. Stewart noted that as the day wears on the quorum is lost. She wondered if there is more of a problem for those who have to drive long distances. If there is an all-day meeting it becomes impossible for those who for various reasons have to return to their homes. She noticed that after about three-and-a-half to four hours members begin closing notebooks and asking how much longer. People on the Agenda after that get don't always get the Board's full attention. She would prefer to not have meetings in December, especially the third Thursday. In the past there were nine meetings scheduled during the years, skipping June, August, and December.

Mr. Travous responded that the Board is required to have one meeting quarterly. That is obviously not enough. Past Boards have met every other month as proposed here. Then, for a while the Board met every month except June, August, and December. Even with this schedule, if at any time the Board needs to get together the Chairman can call a meeting. In that event, the Board ought to at least have those Thursdays scheduled on their personal calendars.

Ms. Stewart noted that during the past year the Board has met 12 times in each year. She agreed that is something the Board should work to curb down. She believes 8 meetings will be the minimum. As long as the legislature is still looking for money she is nervous about going two months without a meeting while they are in session.

Mr. Travous noted that, from a staff perspective, it takes a lot of energy and staff time to put together an Agenda. He wants to avoid creating events to put on an Agenda so the Board feels that when they do come they are spending their time effectively. There have been times when he has questioned those kinds of things. He has not seen the Board go overboard on that type of thing. He wants to be sure that staff's time are spent wisely getting the hearts of the matter to the Board rather than the "adminsteria" of what staff does. Staff need to spend their time on big-picture things.

Mr. Hays reiterated that the Board should block out the third Thursday of February to either meet or conference if necessary, the third Thursday of April, and the third Thursday in October for meeting if necessary.

Mr. Travous suggested the Board block out the third Thursday of each month during the calendar year on their personal calendars just to be sure. However, at the scheduled meeting, the Board can see how things are stacking up. The Board won't have to worry at that point in time whether or not people are available if necessary. It gives the Board a month in advance to put together their calendars rather than surprise them with a special meeting. This does not mean that the Board will have to meet every month. The dates on the proposed schedule are "for sure" meetings; the others would be as the Chairman and the Board members decide are needed.

Mr. Travous added that it is important that Board members who want to add Agenda items between meetings contact the Chairman. There have been instances where items were added and staff had to call the Chairman. The Rules state that the Board Chairman sets the Agenda.

Ms. Stewart noted that there is a partnering opportunity coming up. The Land Trust Alliance is having their first-ever regional meeting in Arizona in Prescott May 20. The main conference is May 21-22. If the Board's May meeting were held in Prescott, it would give the Board the opportunity to attend that regional meeting. The Cattleman's Land Trust is usually a big participant. This is the audience the Board is partnering with on the Growing Smarter grants as well as a lot of the LRSP grants. The rally will open their arms to the counties and cities. This falls in with the theme of partnerships, regional planning, and working together to make things happen. It would be a good opportunity for staff and Board members to be involved.

Mr. Hays asked if it would be possible for those Board members who can and want to stay over Thursday evening. There is a reception Thursday evening, there are some field trips on Friday, and workshops on Saturday. He asked if it would be legal for some Board members to attend under per diem.

Mr. Travous responded affirmatively.

Mr. Hays requested that the May 20 meeting be held in Prescott.

Chairman Pfister requested that staff send the Board via E-mail those dates that the Board needs to reserve for scheduled meetings and those dates that they should block for potential meetings as a written reminder.

Mr. Hays suggested blocking out every third Thursday except December. He expressed his hope that they won't all have to be used.

Ms. Stewart stated she would like for the Board to decide in the next few months what it will do about June and August. Some of the Board members will want to make summer plans.

Mr. Hays requested that the Board move the March 18 meeting site from Lake Havasu to Verde Valley instead to view some Phelps Dodge land. The Sedona Fire District has offered meeting space to the Board in the past.

Mr. Travous reiterated, so that everyone understands, that the Board has six meetings definitely scheduled – January 15 in Phoenix; March 18 in Verde Valley / Sedona; May in Prescott; July 21-22 in Flagstaff; September 16 in the Phoenix Valley; and November 18 in the Tucson area. The third Thursdays of the off months the Board will reserve on their schedules as “to be determined” – both whether and where. These would be optional additional meeting dates.

2. Employee Survey

Mr. Travous distributed a copy of the ASP 2003 Employee Survey. He reported that Executive Staff reviewed the past Employee Surveys. Staff are frustrated by not understanding what the employees are trying to tell them. It is evident there is a problem in communication. Last year's Employee Survey was a wake-up call for staff that they weren't receiving it, they thought it wasn't needed, etc. Because Communication seemed to be the trend in all of the previous surveys, staff decided to zero in on Communication this year. The surveys will be distributed to the employees next week. The employees will be asked where they are getting their organizational information from currently and where they would prefer to get it. That may uncover some things such as they are getting it through a newsletter but would prefer to get it on the Internet or E-mail but their Park Manager won't let them see the E-mail. The second part of the survey will ask what the five most important topics are to the employees – both agency-wide and job-related.

Mr. Travous noted that just recently Ms. Hawks began sending out a synopsis of the Board meeting. There were responses from the field that even though they had access to the full Board Agendas and the Minutes, they appreciated receiving this short version. This survey will probably be repeated next year, and then go back to the full survey to see if there is any overall improvement.

Ms. Stewart stated she believed this survey would be helpful in determining what kind of information the employees like to get and how they like to get it. The part that seems to be missing is communication being a two-way street. It doesn't have a part dealing with whether they feel they are being heard or the ways they feel that their messages can reach wherever they should be going.

Mr. Travous responded that Ms. Hawks may do something along those lines from a field perspective, for example, to see if the Park Managers are having meetings with their field staff.

Ms. Stewart stated that it was her sense from the survey and comments made at Board meetings or while visiting the parks there is a feeling that some of the employees feel that no one knows they're out there.

Chairman Pfister stated that staff are moving in the right direction.

3. The Pursuit of More Friends Groups and Partnerships With Local Communities

Mr. Travous reported that there are 30 park system in the US that either have or are actively pursuing creating 501(c)3 State Friends organizations. He believes that by this time next year it will be closer to 40. He has always felt that ASP was on the cutting edge, but on this issue the agency is on the dull edge of the knife.

Mr. Travous noted that Ms. Bahl has been gone from the agency for more than 18 months. Mr. Ziemann has assumed the responsibility for Partnerships. Knowing that for the foreseeable future, Ms. Bahl's former position will not be filled, he is looking at hiring a person to do "Friend Raising" and "Fund Raising" for the agency. This would be a position that could coordinate with the Arizona Historical Society, Charlotte Hall, the Northern Arizona Arboretum, etc. The Chairman has a list of people who want to get involved with ASP. The agency just does not have the expertise or follow-up techniques to organize them. This position would be for two to four years and would help facilitate putting together a statewide 501(c)3 and then literally work itself out of a job. This position would also help facilitate friends groups at parks. The Kartchner Friends group is doing well; however, the Friends group at Fort Verde is not. They have the desire but they lack the tools when it comes to fundraising and friendraising. This position would add those tools to Red Rock, Fort Verde, Tombstone, and other parks where Friends groups exist but need this expertise. This position will be a member of Executive Staff. He hopes to have this position on-board in January.

Ms. Stewart asked how this will work legally and mechanically. She asked if there are any legal issues in terms of what this person will actually do. She asked if this person will raise funds now for a Gift Fund that exists.

Mr. Travous responded that the agency cannot have anyone internally raise funds. This would be similar to what the Universities do. There is an Executive Consultant class that exists that can facilitate putting those things together. It is raising the Friends groups and showing them how to raise funds.

Ms. Stewart asked if this involves any legislation. There has been discussion in the past about the timing not being right for legislation.

Mr. Travous responded that the agency is not looking for it to be chartered at this juncture.

Ms. Stewart asked if this is just to help the Friends groups get organized and make more partnerships in the community and not actually trying to raise funds.

Mr. Travous responded that this person will help set up viable 501(c)3s and find people who would be interested in putting them together to raise the funds themselves.

Ms. Stewart asked counsel if there are any legal issues.

Ms. Hernbrode responded that the agency must walk a thin line with the Gift Clause. There have been discussions with staff as to what that line might be.

Chairman Pfister stated that she has helped to work on similar models in cities; it is done with the Library Foundation. It is a half-paid city position; half-paid from the foundation. That person does raise money. It is clearly legal. The agency must be clear about what it's doing. There is a lot of room to build on the Friends that have been developed over the last several years.

Mr. Travous added that sometimes it's just follow-up with people who have said they want to help.

Ms. Stewart noted that the agency can accept gifts. She asked if the agency is looking at setting something up like BTA has. She was very impressed at what they do. They have a list of their needs where people can choose what to donate to.

Mr. Travous responded that staff are looking at different things. Staff are looking at those types of things at each of the parks. Clearly, the historic and natural parks will be the easiest to get started.

J. ADMINISTRATION

1. Section report

Status on Suspended OHV Grants/Contracts

Mr. Siegwarth distributed a copy of the OHV status report to the Board, as requested. He reminded the Board that it canceled the IGAs. Two governmental entities still have balances outstanding. He spoke with Apache-Sitgreaves and was told they are awaiting some paperwork from Coronado National Forest (CNF). He expects to have all the IGAs closed out prior to January 1, 2004. Essentially, he expects to receive \$245,000 back.

Mr. Siegwarth reported that the second page of the document deals with the original grant, how much they have received, and how much is to be reimbursed. There are three remaining who got their paperwork in before the cut-off date. When the Board passed the Consent Agenda today it gave staff the authority to cut a check for \$2,600, leaving a balance of about \$411,000. CNF is part of that. When they close out the IGAs, he will have the money to give to CNF. They are very aware that they need to move on their paperwork.

Mr. Siegwarth reported staff can either wait until July to give CNF their \$411,000, but there is the chance it could swept during the legislative session. If they get their paperwork in and work with Apache-Sitgreaves, they could be paid by January 1, 2004.

Mr. Siegwarth stated that by the end of June or mid-July there may be \$405,000 in the fund. Depending on what happens in the legislative session, staff do not know if that money will be needed or what it would be used for. He suggested that the Board discuss how to exploit these funds at the July Board meeting.

Mr. Siegwarth noted that there is still an outstanding grant balance of about \$1 million. Some of these people would really like to continue those projects. Staff cannot say whether there is any money to authorize any of them now.

Ms. Stewart noted she was not clear whether all of those who submitted their claims have been reimbursed.

Mr. Siegwarth responded that he has three checks to write. Everyone else has been reimbursed.

Ms. Stewart asked if there is money available to pay those three.

Mr. Siegwarth responded that the check for \$2,600 will be written next week. Once CNF and Apache-Sitgreaves terminate their IGAs and return the \$245,000 staff will turn around and write them the check for \$411,000. They are fine with that.

Ms. Stewart asked if the balances, for the most part, are for work that has not yet been performed but was part of the original scope.

Mr. Siegwarth responded affirmatively.

Ms. Stewart stated that her biggest concern was that the checks be disbursed to the extent that the money is there. She has run into people around the state who raised this issue and she hasn't known just where things stood.

Mr. Siegwarth responded that the staff held up on BLM-Lake Havasu because they needed to perform a final inspection to qualify. The main delay with CNF was a cash flow problem. They understand that, and they were part of that cash flow problem.

Ms. Stewart asked if staff are receiving receipts back in the amounts originally expected.

Mr. Siegwarth responded that there were wildly fluctuating estimates. Staff are fine with it.

Chairman Pfister noted that the grant recipients are not happy, but they are understanding. The Board has done the very best it could under the circumstances.

Mr. Siegwarth responded that CNF was very happy. He told them that staff are still pursuing the balance to keep those grants alive. They were surprised and very happy. They recounted a story of a similar thing happening to them a couple of years ago where they gave out grants but then the money never showed up and they had to go back and apologize. They were very enthusiastic about working together with ASP in partnership. He believes Apache-Sitgreaves is happy.

Financial Report

Mr. Siegwarth reported that revenues remain on track.

Chairman Pfister noted that she was told that State revenues in general were doing better than projected.

Mr. Siegwarth responded that he heard from the Budget Analyst in the Governor's Office that the state is \$900 million in the hole. He hasn't actually seen any figures.

Mr. Siegwarth stated that he is reporting on ASP's revenues. Interest is tracking as staff expected. There are still SLIF and Heritage Fund Interest issues. Staff are bit concerned about the Enhancement Fund. With all of the publicity surrounding the opening of The

Big Room staff feared it might cannibalize the Throne/Rotunda Rooms tours. They both appear to be sold out. That's very good news. People don't really book much beyond six weeks. Staff are beginning to monitor that more closely. He noted that some of the parks are closed. Lost Dutchman State Park is under construction and should re-open shortly. The lakes are not open yet at Deadhorse Ranch State Park and there is construction going on there.

Ms. Stewart noted that there are some lakes that are still rather dry.

Mr. Siegwarth responded that Lyman Lake State Park is slow, but things could be a lot worse. The partnership has been keeping the water much fuller than expected. Without their help the lake would be a lot lower. In fact, Lyman Lake State Park and Fool Hollow State Park are the bright spots right now. They are up 30% in both visitation and revenue. It is hard to look at visitation because some parks were closed last year that are now open. They are showing big increases. However, there are some parks that are closed. He believes there will be a very large attendance increase at some of the parks with cabins and yurts.

Mr. Travous added that we are doing about \$100,000 per week at Kartchner Caverns State Park (KCSP). The concessionaire has gone from a good day of \$3,000 to \$5,500 per day in sales.

Ms. Stewart asked if having reservations at KCSP only six weeks out has helped people in terms of feeling as though reservations are available. When it was three or four months, people just didn't even bother making them. Staff should probably get the word out to Arizona residents that it is easy to reservations.

Mr. Siegwarth responded that that has been a big internal discussion. Staff are setting up to track how far in advance tours are sold out, whether it's better or worse than the previous year, and how much marketing needs to get out to fill them. There appears to be a six-week window for tickets. Once staff can track that they can begin responding with more marketing.

Chairman Pfister stated she would entertain a motion to go into Executive Session.

Mr. Hays moved that the Board go into Executive Session. Mr. Gonzales-Beechum seconded the motion. The motion carried unanimously.

The Board went into Executive Session at 3:12 p.m.

Chairman Pfister reconvened the meeting at 3:58 p.m.

Ms. Stewart noted that the Sonoita Creek ceremony this morning really came together because of the Chairman's leadership and Ms. Emery's diligence in really making it into something. The Board said it wanted something done, but didn't clearly define what that something was. It was staff's work that really caused it to come to something the Board could be proud of. It was obvious that the Chairman kept prodding and asking about the status. It really came together and was a fantastic celebration.

Chairman Pfister noted that there were a few Agenda Items to deal with under Open Session.

I. PARKS

1. Section Report

Mabery Easement Dispute Litigation

Board Action

Ms. Stewart: I move that the Attorney General's Office proceed with the instructions the Board provided them in Executive Session regarding the Mabery Easement Dispute Litigation.

Mr. Hays seconded the motion. The motion carried unanimously.

Whetstone Springs Condemnation

Board Action

Mr. Hays: I move that the settlement negotiated by the Attorney General's Office with Whetstone Springs Holdings, Whetstone Partners, Apache Peak and Whetstone Development be accepted. The Executive Director or his designee is authorized to execute the settlement and all necessary and associated documents.

Mr. Winkleman seconded the motion. The motion carried unanimously.

K. BOARD COMMENTS, REQUESTS AND ITEMS FOR FUTURE AGENDAS

Chairman Pfister noted that the Board will have a Planning Meeting on December 3, 2003.

Mr. Travous stated that the Board can meet at one of two places: The Lath House in downtown Phoenix or, if the Board is willing to purchase their meals, it can meet at Troon North. Both sites have been reserved for the Board's use. Mr. Bob Frost will facilitate the meeting. He is a former Board member and is currently a consultant on team play. He has the session scheduled to begin at 9:00 a.m. and running for no more than four or four-and-a-half hours total.

Mr. Hays stated his preference for Troon North because of the traffic problems getting to downtown Phoenix. The Lath House is in the heart of where all the traffic is headed at 9:00 a.m. It would take an extra hour.

Mr. Travous noted that the cost per Board member and staff would be about \$20 for lunch at Troon North.

Ms. Stewart asked if the Board could anticipate being finished by 1:30 or 2:00 p.m.

Chairman Pfister requested a very good map to the site.

Mr. Travous noted that to get the room for free, everyone will have to buy lunch and should be prepared to pay about \$20.

Chairman Pfister asked if Board input was needed or whether it was being facilitated by staff.

Mr. Travous responded that it is being facilitated by Mr. Frost. There will be some time spent on the Mission Statement, the Vision, and then he will take the Board through what he calls a Pest Analysis and a Current Situation Analysis. There will be some time spent on where we think we are.

Chairman Pfister noted that the Board has received one handout already.

Mr. Travous responded that the Board has received the Weary Report. Rather than give the Board a lot of information, Mr. Frost preferred to wait to see what happens in the first meeting. Mr. Travous will spend about five minutes telling the Board what has been done organizationally based on the Weary Report. The Planning Session will consist of the Executive Staff, the Board, and the Executive Secretary to take notes.

Chairman Pfister noted that the Planning Session will be held December 3 at 9:00 a.m.

Ms. Stewart noted that when the issue with Lake Havasu arose and the policies came into question she looked through her Board notebook and could not find anything that says what the Board's policies are. It would be helpful for the Board to have a set of Policies.

Ms. Stewart noted that she mentioned a few months ago that she would like a report on ADA Compliance. Staff conducted a survey several months ago on ADA Compliance at various parks. She suggested a report when the Board meets in Phoenix. This is an important issue and that the Board has a responsibility on it.

Chairman Pfister noted that another subject that came up today was a joint meeting with GF. She recalls doing two joint meetings since she's been on the Board. The Board may want to consider doing another.

Mr. Hays suggested waiting until after the legislative session to see how much damage the agencies sustain.

Ms. Stewart suggested that part of that meeting could be how to work together on the Indian Compact monies, preserve habitat, and the partnership near Sonoita Creek. This is money that came from a federal grant and the legislature cannot touch the compact money.

Mr. Travous noted that both BTA and GF would like to meet with the Board. He will get with their Chairmen to see how to make the schedule fit.

M. ADJOURNMENT

There being no further business to come before the Board, Mr. Hays moved the Board adjourn. Mr. Winkleman seconded the motion. The motion carried unanimously. Chairman Pfister adjourned the meeting at 4:07 p.m.

Pursuant to Title II of the Americans with Disabilities Act (ADA), Arizona State Parks does not discriminate on the basis of a disability regarding admission to public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the ADA Coordinator, Nicole Armstrong-Best, (602) 542-7152; or TTY (602) 542-4174. Requests should be made as early as possible to allow time to arrange the accommodation.

Kenneth E. Travous, Executive Director

APPROVED

Suzanne Pfister, Chairman